

House Engrossed Senate Bill

**FILED**

**JANICE K. BREWER  
SECRETARY OF STATE**

State of Arizona  
Senate  
Forty-eighth Legislature  
First Regular Session  
2007

CHAPTER 104

# **SENATE BILL 1553**

AN ACT

AMENDING SECTIONS 42-12153, 42-12155 AND 42-13302, ARIZONA REVISED STATUTES;  
RELATING TO COUNTY ASSESSORS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-12153, Arizona Revised Statutes, is amended to  
3 read:

4 42-12153. Application for classification of property used for  
5 agricultural purposes

6 A. The county assessor shall make agricultural use application forms  
7 available that require the following information in addition to any other  
8 information prescribed by the department:

- 9 1. The size of the property.  
10 2. The type of crops grown on the property.  
11 3. The type and number of animal units raised on the property.  
12 4. The number of acres leased for agricultural purposes and the terms  
13 of the lease for each parcel leased.

14 5. A verification that the property meets the requirements prescribed  
15 in section 42-12152.

16 B. The owner of property or the owner's designated agent under section  
17 42-16001 shall file a completed agricultural use application form with the  
18 county assessor before the property may be classified as being used for  
19 agricultural purposes. If the ownership of a property changes, an  
20 agricultural use application form must be filed by the new owner within sixty  
21 days after the change in ownership to maintain the agricultural use status.  
22 If the owner or the owner's agent fails to file an application form as  
23 prescribed in this subsection, the assessor shall not classify the property,  
24 on notice of valuation, as being used for agricultural purposes. The owner  
25 or agent may appeal the classification as prescribed by chapter 16, article 2  
26 OR 5 of this title regardless of whether the owner or agent filed an  
27 application form.

28 Sec. 2. Section 42-12155, Arizona Revised Statutes, is amended to  
29 read:

30 42-12155. Notice of approval or disapproval; appeal

31 A. The county assessor shall notify the property owner whether the  
32 assessor has approved or disapproved the agricultural classification of the  
33 property on or before the date on which the assessor next mails the owner the  
34 notice of valuation for the property.

35 B. If the assessor disapproved the agricultural classification, the  
36 assessor shall notify the owner of the reason for disapproval WITHIN ONE  
37 HUNDRED TWENTY DAYS OF THE APPLICATION.

38 C. The owner may appeal the decision of the assessor as prescribed by  
39 chapter 16, article 2 OR 5 of this title.

1       Sec. 3. Section 42-13302, Arizona Revised Statutes, is amended to  
2 read:

3       42-13302. Determining limited value in cases of omissions and  
4       changes

5       A. In the following circumstances the limited property value shall be  
6 established at a level or percentage of full cash value that is comparable to  
7 that of other properties of the same or similar use or classification:

8       1. Land or improvements that were erroneously totally omitted from the  
9 property tax rolls in the preceding tax year.

10       2. Property for which a change in use has occurred since the preceding  
11 tax year.

12       3. Property that has been modified by construction, destruction or  
13 demolition since the preceding valuation year.

14       4. Property that has been split, subdivided or consolidated between  
15 January 1 through September 30 of the valuation year, EXCEPT FOR CASES THAT  
16 RESULT FROM AN ACTION INITIATED BY A GOVERNMENTAL ENTITY, IF THE LIMITED  
17 PROPERTY VALUES ARE ESTABLISHED AT A LEVEL OR PERCENTAGE OF FULL CASH VALUE  
18 IN THE VALUATION YEAR THAT IS COMPARABLE TO THAT OF OTHER PROPERTIES AND IT  
19 RESULTS IN AN INCREASE THAT IS MORE THAN THE LIMITED PROPERTY VALUE  
20 PREVIOUSLY DETERMINED IN THE VALUATION YEAR, THE LIMITED VALUES SHALL NOT  
21 CHANGE FOR THE VALUATION YEAR.

22       B. In the case of property that is split or consolidated after  
23 September 30 through December 31 of the valuation year, EXCEPT FOR CASES THAT  
24 RESULT FROM AN ACTION INITIATED BY A GOVERNMENTAL ENTITY, the total limited  
25 property value of the new parcel or parcels shall be the same as the total  
26 limited property value of the original parcel or parcels. FOR CASES THAT  
27 RESULT FROM AN ACTION INITIATED FROM A GOVERNMENTAL ENTITY, IF THE LIMITED  
28 PROPERTY VALUES ARE ESTABLISHED AT A LEVEL OR PERCENTAGE OF FULL CASH VALUE  
29 IN THE FOLLOWING VALUATION YEAR THAT IS COMPARABLE TO THAT OF OTHER  
30 PROPERTIES AND IT RESULTS IN AN INCREASE THAT IS MORE THAN THE LIMITED  
31 PROPERTY VALUE THAT WOULD HAVE BEEN DETERMINED UNDER SECTION 42-13301, THEN  
32 THE LIMITED PROPERTY VALUE SHALL BE DETERMINED PURSUANT TO SECTION 42-13301.  
33 For the following valuation year, the limited property value shall be  
34 established at a level or percentage of full cash value that is comparable to  
35 that of other properties of the same or similar use or classification. The  
36 new parcel or parcels shall retain the same value-adding characteristics that  
37 applied to the original parcel before being split or consolidated, except as  
38 provided in subsection A, paragraph 3 of this section.

39       C. If it is determined that a parcel of property's value-adding  
40 characteristics or attributes that were in existence in a preceding valuation  
41 year have been previously partially omitted from or erroneously stated on the  
42 tax rolls to exempt the property from section 42-13301, the county assessor  
43 shall prepare a written statement of the full details relating to the  
44 property, the omitted or erroneously stated characteristics, the difference

1 in value that should be added to or subtracted from the limited property  
2 value and any other relevant information that the assessor may provide.

3 D. If a parcel of real property has multiple improvements and in tax  
4 year 1979 the assessor's records recorded more or less than all of the  
5 improvements, then on determining that the improvement exists the assessor  
6 shall treat the property as missed parcels in subsection A of this section  
7 and the entire parcel with all improvements is subject to revaluation  
8 pursuant to subsection A of this section.

APPROVED BY THE GOVERNOR APRIL 18, 2007.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 18, 2007.